

NEW SOUTH WALES.

BUSINESS STATISTICS - DECEMBER, 1945.

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PART I PRIMARY AND EXPORT INDUSTRIES.

SEASON. Rainfall was below average in all inland districts in November, 1945, but nevertheless, was sufficient for current needs in most parts, excepting the far west and the southwest. There have since been moderate to good falls on the coast and tablelands, the north western slopes, and central plains. The weather has been propitious for harvesting. Stock are in good to fat condition, rabbits are well in check and flies are less troublesome. Water supplies are mostly satisfactory. Fodder supplies for 1946 should be adequate as hay production this year is normal.

RAINFALL INDEX, NEW SOUTH WALES.

Weighted average ratio of actual to normal rainfall.
Normal rainfall each month = 100.

Period.	Sheep Districts.	Wheat Districts.				Dairying Districts.
		Northern	Central	Southern	Total	
Year 1944	57	68	51	52	53	79
1945-Mar.	31	31	41	26	30	41
Apr.	87	101	103	38	63	142
May	105	160	139	55	90	90
June	181	177	219	143	167	373
July	95	83	58	77	73	139
Aug.	144	156	139	157	152	47
Sept.	30	23	18	32	27	50
Oct.	85	53	72	128	104	89
Nov.	61	76	60	69	67	115

WOOL. Appraisalment of wool in Sydney was suspended on Dec. 7, 1945 due to the ban on use of light and power. Resumption is unlikely until the New Year. Stores are filled to over-flowing, as, to Dec. 12 the number of bales appraised (419,702) was 94,704 less, and the quantity of wool received into store (683,434) was 86,394 bales greater, than in the corresponding period of last season.

The Australian Wool Board is shipping as a gift 60,000 lbs. of scoured wool to Bengal Red Cross for distribution through village co-operatives in India.

WHEAT. Harvesting is in full swing under favourable weather conditions. Australian production, forecasted at 150 m. bushels early in the season, then reduced to about 120 m. bushels, is now expected to reach 135 m. bushels, including 53.6 m. bushels in N.S.W. and 32 to 33 m. bushels in Victoria.

Payment of the 5th advance for No. 6 (1942-43) Pool wheat (approved some weeks ago) is proceeding and all growers should receive certificates within a month.

DAIRYING INDUSTRY. In coastal dairying districts seasonal conditions are satisfactory and butter production shows a steady upward trend. Supplies of milk in the metropolitan zone are decreasing but are not being fully absorbed because of cessation of use in manufacture and loss of milk bar trade.

In this section of the coast copious rains are needed to ensure full summer production, as pastures are dry, and scanty in parts, and farm fodders are depleted.

GENERAL. Targets for N.S.W. for 1946-47 include 5.2 m. acres for wheat (grain) 1.25 m. acres for oats (all purposes) 35,000 acres for barley (grain) and 115,000 acres for maize (grain).

Fodder subsidies (except on straw moved interstate--to cease Dec. 31,) were discontinued as from Nov. 30, 1945.

Meat. The Commonwealth will pass on to producers an increase in prices to be paid by the British Ministry of Food as from Jan. 1, 1946 for certain classes of meat. The increases will represent an average (in Australian currency) of $\frac{1}{2}$ d. a lb. for veal and meat offals, and $\frac{5}{8}$ d. a lb. for bull beef and beef shins.

Potatoes. Against the N.S.W. target of 33,400 acres (reduced from that of 40,000 originally approved) contracts have been let this season for 33,423 acres of potatoes. Planting is proceeding in main crop areas under favourable conditions.

Maize sowing has been delayed but recent good rains on the far north coast may enable seasonable planting of the full goal of 115,000 acres for grain. Germination has been uneven on the northern tablelands. Sowings have been normal on the south coast.

Grain Sorghum. Good rains in December will be needed on the north western slopes if the target area of 35,000 acres is to be reached.

Copper. Mt. Lyall Mines have been assured by the Commonwealth of a price of not less than £100 a ton for copper during 1945-46 and 1946-47.

At a livestock conference in Sydney it was decided that U.N.N.R.A.'s South-west Pacific Area Office should establish an International Veterinary and Livestock Secretariat.

Eggs. Production is now declining and prices were increased from Dec. 17 by 2d. a doz., making first quality hen eggs 1s. 9d. a doz., wholesale.

PART II FINANCE AND TRADE.

GENERAL. Industrial Disputes. Serious disruption in trade and industry has resulted from a general stoppage by coal miners, seamen and many ironworkers (which intensified effects of previously existing disputes) on Dec. 4. Miners resumed work on Dec. 17, but because coal stocks are so depleted, the strict rationing of gas and electricity - including a ban on the use of light and power for business and most industrial purposes - is unlikely to be relaxed materially before the New Year. The Industrial Commission has approved of the standing-down without pay of employees from Dec. 6. until a fortnight after the lifting of the restrictions, where these render operations impracticable. Of many thousands of workers idle, over 42,500 have applied for unemployment benefit. Annual holidays are being taken in many cases to avert loss of pay. Severe cuts have been made in metropolitan and country train services. Skeleton bus services (in place of trams) were run on tram routes from 2p.m. on Dec. 15 until early morning on Dec. 17 and ferry services were curtailed.

The Metropolitan Water Board loan of £1m. issued at par for 16 years at £3. 7s. 6d. per cent. closed fully subscribed on Dec. 6. The number of subscribers (1,700) was a record for a Water Board loan.

World Trade. Australia is to be represented at projected international conference to discuss international commercial policy. A British supply mission is visiting Australia, and New Zealand-Australian trade has been discussed by the Prime Minister and the N.Z. Minister for Commerce and Industries.

The rate of interest on War Service homes loans is to be reduced to $3\frac{3}{4}$ per cent. as from Feb. 1, 1946.

COMMONWEALTH ACCOUNTS for November, 1945 show an increase in revenue of £2.2 m. and in expenditure of £5.5 m. in comparison with November, 1944; the latter increase including £4.5 m. in war expenditure.

With increases in yields from income tax of £10.7 m. from customs and excise of £1.8 m. and from other taxes of £1 m., revenue in July-Nov., 1945 was £13.3 m. greater than in the five months of 1944. Total expenditure for the period increased by £4.4 m., not taking into account £3.6 m. expended from balance in the National Welfare Fund. Including that amount, social payments were £5.03 m. greater than in July-Nov., 1944. War expenditure (£197.9 m.) was £1.2 m. greater (reflecting leave pay and deferred pay to discharged service personnel, and possibly settlement of delayed accounts) and was met as to 43.4% from revenue compared with 24.6% in the five months of 1943 and 1944, respectively.

COMMONWEALTH REVENUE AND EXPENDITURE. (Excluding Income Tax reimbursed to States).

Particulars.	Month of November.		Five months ended November.		
	1944	1945	1944	1945	Change '44 to '45
	£m.	£m.	£m.	£m.	£m.
REVENUE. Customs and Excise	5.9	6.7	28.1	29.9	(+) 1.8
Income Tax	10.6	11.7	59.3	70.0	(+) 10.7
Other Taxes	4.4	4.6	21.5	22.5	(+) 1.0
Business Undertakings	2.5	2.4	12.7	12.5	(-) .2
Other	.1	.3	2.2	2.2
Total, All sources	23.5	25.7	123.8	137.1	(+) 13.3
EXPENDITURE. War (1939-45) from-					
Revenue	14.4	15.6	76.6	86.8	(+) 10.2
Loan	27.0	30.3	120.1	111.1	(-) 9.0
Total War	41.4	45.9	196.7	197.9	(+) 1.2
Other Revenue Services	9.1	10.1	47.2	54.4	(+) 3.2
Total, All Services	50.5	56.0	243.9	248.3	(+) 4.4

Includes Social Services Contribution. x Excluding £3.6m. met from balance existing in National Welfare Fund at 30th June, 1945.

During November, 1945 the amount of Treasury bills outstanding on Commonwealth account in Australia increased by £7 m. to £ 370.3 m. (In Nov., 1944 there was an increase of £9 m.). This amount was £33 m. below the wartime peak of £403.3 m. in March, 1944, but was £23 m. greater than in Nov., 1944.

TRADING BANKS. Returns for recent months reveal a tendency for customers' funds to be more actively employed. Interest bearing (fixed) deposits increased moderately until about six months ago, since when there has been a slight downward trend. Simultaneously, advances have increased after declining £88.1 m. between June, 1939 and April, 1945. Omission of some minor items formerly included under advances from figures for Sept., 1945 onward makes strict comparison impracticable but on the published figures advances increased between April and October, 1945 by £5.5 m. whereas there was a decrease of £11.4 m. in that interval in 1944.

In October, 1945 an increase in total deposits of £5.5 m. was accompanied by the segregation of £5 m. in special wartime deposits with the Commonwealth Bank. Banks' fixed investments increased a little (following the general trend) and the cash position underwent no significant change over the month and in comparison with October, 1944.

NINE TRADING BANKS - AUSTRALIA.

Liabilities and Assets within Australia. £ million.

Av. of Weekly Figures	Deposits			Coin, Notes, etc. & Cash at C'wealth Bank	Treas-ury Bills	Govt. & Municipal Securities	Special Wartime Deposits with C'wealth Bank	Advances Discounts etc.
	Bearing Interest (Fixed)	Not Bearing Interest (Current)	Total					
1939-June	200.9	117.1	318.0	28.6	23.9	22.1	-	291.7
1942- "	192.0	195.9	387.9	40.4	39.6	56.3	36.4	268.3
1943- "	197.4	256.1	453.5	33.4	50.8	75.7	102.9	246.0
1944-Aug.	221.3	313.8	535.1	37.6	57.4	95.7	182.8	214.0
Sept.	221.4	321.2	542.6	37.7	57.6	100.0	183.1	215.0
Oct.	222.1	329.6	551.7	38.4	62.4	101.4	185.3	216.2
1945-Aug.	223.8	351.2	575.0	37.5	54.6	107.0	224.0	210.3
Sept.	224.9	354.8	579.7	38.5	61.2	109.3	219.6	207.8
Oct.	222.7	362.5	585.2	40.1	60.3	110.4	224.6	209.1

SAVINGS BANKS. Substantial increases (£2.4 m. in N.S.W. and £6.7 m. in Australia) in depositors' balances in savings banks in October, 1945 probably reflected return and discharge of service personnel and the receipt by them of leave pay and deferred pay. In recent earlier months increases were appreciably less than those of the corresponding month of last year but for October, 1945 the increases were £1.44 m. greater in N.S.W. and £3.65 m. greater in Australia than in October, 1944.

The amounts on deposit at 31st October, 1945 (£209.9 m. in N.S.W. and £599.65 m. in Australia) were £122.4 m. greater in the State and £354.1 m. greater in the Commonwealth than in June, 1939. Between October, 1944 and 1945 deposits increased by 20.6% in N.S.W. and by 18.4% elsewhere in Australia.

SAVINGS BANK DEPOSITS : N.S.W. AND AUSTRALIA.

Period.	N.S.W.		AUSTRALIA	
	Deposits at end of period.	Increase or Decrease (-) in period	Deposits at end of period	Increase or Decrease (-) in period
<u>Year ended June:</u>	£000	£000	£000	£000
1939	87,474	1,458	245,587	5,155
1942	94,538	6,788	274,275	22,044
1943	132,405	27,867	357,995	83,720
1944	162,867	40,462	471,530	113,535
1945	198,203	35,336	566,906	95,476
Month: 1944-Aug.	170,104	3,353	491,666	10,222
Sept.	173,037	2,933	500,021	8,355
Oct.	173,981	944	503,049	3,028
1945-Aug.	204,794	3,862	584,704	10,111
Sept.	207,520	2,726	592,970	8,266
Oct.	209,905	2,385	599,651	6,681

WAR SAVINGS CERTIFICATES

will continue on issue only until stocks of certificates and stamps are exhausted (probably in February next) when Savings Certificates will become available on the same terms and conditions. Purchasers will be permitted to hold Savings Certificates to a maximum face value of £250 in addition to War Savings Certificates held.

Net sales of War Savings Certificates have contracted rather sharply in recent months and in October, 1945 were least of any month of the war period. In July-Oct., 1945 net sales in N.S.W. were only 38% and in Australia only 45% of those in July-Oct., 1944, registering the combined effects of reduced sales and heavier re-purchases.

NET SALES OF WAR SAVINGS CERTIFICATES - N.S.W. AND AUSTRALIA.

		1944		1945			July- October				Total
		Sept.	Oct.	Aug.	Sept.	Oct.	1942	1943	1944	1945	Total to Oct. 1945
N.S.W.	£000	206	227	155	55	51	1,165	847	977	379	19,552
Aust.	£000	575	657	478	222	106	3,226	2,661	2,739	1,234	53,768

INTER-BANK CLEARINGS

tended to match those of a year earlier in the first half of 1945 but latterly index numbers show a renewed tendency toward expansion--in July-November clearings (excluding Treasury bills and special governmental transactions) were about 4½ per cent. greater and in Sept-Nov., about 7 per cent. greater this year than in 1944. Revival of the building industry, resumption of overseas civilian trade and demobilisation of service personnel are significant factors in the business situation.

INTER-BANK CLEARINGS, SYDNEY.

Period.	Amount of Clearings (£million) (a)					Index (b)				
	1939	1942	1943	1944	1945	1939	1942	1943	1944	1945
Year	932.5	1248.5	1442.3	1499.6	...	100	131	151	156	...
July-Nov.	385.1	524.3	598.3	621.3	644.2	100	134	152	158	165
Sept.	74.9	105.6	116.5	120.9	123.4	99	134	155	163	166
Oct.	78.0	115.0	115.5	123.7	140.4	100	138	152	159	166
Nov.	86.1	105.0	129.3	126.3	129.7	102	135	149	153	164

(a) Exclusive of Treasury bill transactions. (b) Three months moving average: Base (100) is average of corresponding periods of 1926-30.

STOCK EXCHANGE.

The index number of average value of ordinary company shares in Sydney rose 8.3 points in November, 1945 to 212.8 per cent. of par. value. The increase, which continued that of 8.7 points in October was made possible by the upward revision of ceiling prices and reflected the prevailing strength of investment sentiment. Over the two months group indexes showed increases of 23.6 points in manufacturing, 16.3 points in retail, 11.3 points in public utility, 10.2 points in pastoral and finance and 26.9 points in insurance company shares.

INDEX OF SHARE PRICES - SYDNEY.

Prices of Ordinary Shares (excl. Bank). Par value = 100.
(Compiled by N.S.W. Govt. Statistician).

Average for Month	Manufact- uring and Distributing	Retail	Public Utilities	Pastoral and Finance	Insur- ance	Total 75 Companies	34 Active Shares
1937-Mar.	213.8	203.8	181.0	169.2	281.2	190.4	200.5
1939-Aug.	212.6	168.2	156.0	118.2	263.9	174.4	181.9
1941-Sept.	227.7	177.2	141.5	127.9	253.2	174.9	181.3
1942-Mar.	173.0	138.3	120.8	110.3	213.7	140.6	147.0
1944-Sept.	237.5	196.2	150.6	139.3	254.1	186.6	202.0
1945-Sept.	242.7	207.8	170.8	146.7	264.6	195.8	210.3
Oct.	255.3	216.3	178.2	150.8	274.6	204.5	220.2
Nov.	266.3	224.1	182.1	156.9	291.5	212.8	229.7

REAL ESTATE.

In November, 1945 transactions were maintained at the recent higher level. Transfer of some large city properties have been reported and there has been a considerable turnover of residences and building allotments. A recent statement by the Commonwealth Treasurer indicates that there is no prospect of an early relaxation of Treasury controls in this field. The State Moratorium Act is being extended for another year.

Transfers registered in July-Nov., totalled £14 m. this year compared with £9.6 m. last year and £13.6 m. in 1939. For mortgages the corresponding amounts were £5m., £3 m., and £9.6 m.

REAL ESTATE TRANSACTIONS N.S.W.

Period	Transfers Registered (£000)				Mortgages (Incl. renewals) (£000)			
	1939	1943	1944	1945	1939	1943	1944	1945
Jan.-June	16,457	8,130	8,195	12,084	11,452	2,805	3,141	3,886
July-Sept.	8,921	4,713	6,005	7,648	6,221	1,281	1,863	2,767
Oct.	2,331	1,549	1,654	3,260	1,713	618	634	1,128
Nov.	2,381	1,558	1,899	3,106	1,703	558	529	1,072
Jan.-Nov.	30,090	15,950	17,753	26,098	21,089	5,262	6,167	8,853

PART III INDUSTRY, TRANSPORT, ETC.

GENERAL. Commonwealth War Staffs. At date of a recent report the number employed in the Commonwealth Service was 188,183 below the wartime peak. A further reduction of 45,900 is expected during 1946.

Demobilisation is accelerating. Between Oct. 1, and Dec. 15, 1945 servicemen and women discharged at Sydney Show Ground numbered 55,828, including the record number of 7,356 in the week ended Dec. 15.

Aircraft. The Full High Court has held the National Airlines Act, 1945 valid, but the Government may not exercise a monopoly over inter-state services as it has been held not to have the power to refuse new licenses or to cancel existing licenses.

It is hinted that the A.V. Roe Coy. (England) may be a major holder in a Commonwealth Government Controlled public company for the manufacture of aircraft in Australia.

Building Industry. Under the Building Operations and Building Materials Control bill (passed by the Legislative Assembly) the basis for permit-free house-building has been changed from a value (£1,200) to an area basis (1,200 sq. ft. for wood and fibro and 1,250 sq. ft. for brick houses). The distribution of building materials is to be regulated closely, with priority to housebuilding requirements. The Act is to operate from Jan., 1, 1946 and will cease on June 30, 1946 unless renewed by Parliament.

Arbitration. A projected amendment of the State Arbitration Act will aim at greater use of conciliation tribunals thereby facilitating settlement of industrial differences, and minimising the congestion of cases before the Industrial Commission.

Motor Industry. Lord Nuffield has bought the Victoria Park racecourse, Waterloo (with Treasury approval) for £205,000. Motor tyres have been "frozen" in consequence of the cessation of production (owing to power restrictions) to ensure supplies for essential needs.